

## Washington

**552,884** Small Businesses

**140,342** Small Businesses with Employees

**412,542** Small Businesses without Employees (Nonemployers)

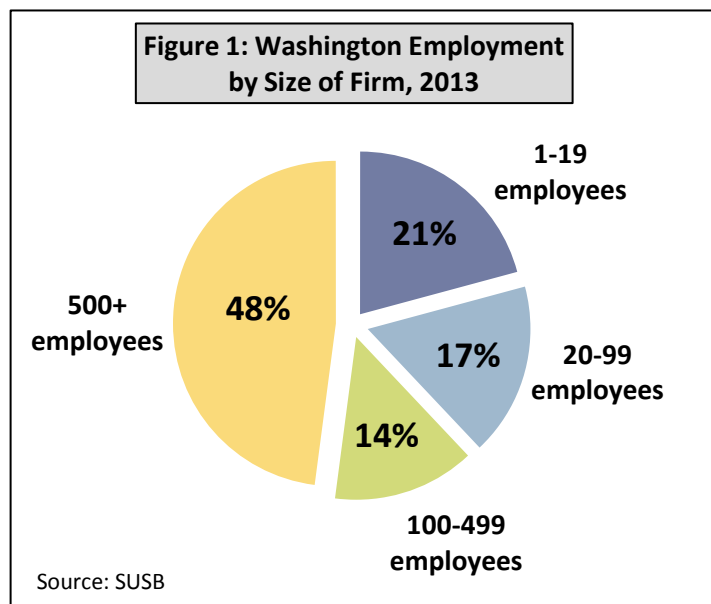
**1,230,227** Workers Employed by Small Businesses

### State Economy Overall

- Washington's economy grew at a faster rate than the United States in 2013. Washington's real gross state product increased by **2.7 percent** compared to **2.2 percent** for U.S. gross domestic product. (Source: BEA)
- The employment picture in Washington has improved. The unemployment rate in Washington declined from **6.8 percent** in October 2013 to **6.0 percent** in October 2014. This is above the national average of **5.8 percent** for the same time period. (Source: BLS)

### Employment

- Washington's small businesses employed over half or **1.2 million** of the state's private workforce in 2012. (Source: SUSB)
- Almost all firms with employees are small. They make up **98.0 percent** of all employers in the state. (Source: SUSB)
- Firms with fewer than 100 employees have the largest share of small business employment. **Figure 1** offers further detail.
- In Washington, small businesses created **35,180** net new jobs in 2012. The biggest gain was in the smallest firm size category of 1-4 employees. (Source: BDS)
- The number of people who were primarily self-employed in 2013 decreased by **4.5 percent** relative to the previous year.
- The state's private-sector employment growth increased by **2.7 percent** over the 12-month period ending in October 2014; this was above the national average growth rate of **2.3 percent**. (Source: BLS)



The *Small Business State and Territory Profiles* report on the economic status of small business from 2007 to 2014. They include information on the number of firms, employment, demographics and other topics using the most recently available government data. They are a reference tool for researchers, policymakers, and small entities who are interested in how small firms are performing regionally or nationally. *Note that this report defines small businesses as firms with fewer than 500 employees.*

## Income and Finance

- The number of banks reported in the Call Reports between June 2013 and June 2014 declined. (Source: FDIC)
- In 2012, **123,048** loans under \$100,000 (and valued at **\$1.5 billion**) were issued by Community Reinvestment Act lending institutions in Washington. (Source: FFIEC)
- The median income for individuals who are self-employed at their own incorporated businesses for the past 12 months was **\$43,618** in 2013. For individuals self-employed at their own unincorporated firms, this figure was **\$23,822**. (Source: ACS)

Note: Median income represents earnings from all sources. Unincorporated self-employment income includes unpaid family workers, a very small percent of the unincorporated self-employed.

## Business Owner Demographics

- **Table 1** shows the top industry for nine business owner demographics. For example, **29.9 percent** of female-owned businesses were in the professional, scientific, and technical services industry, and female-owned firms made up **16.9 percent** of this industry.

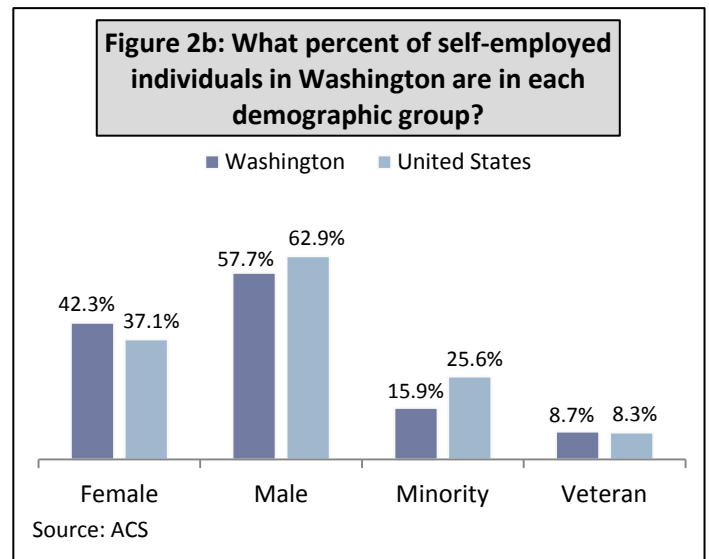
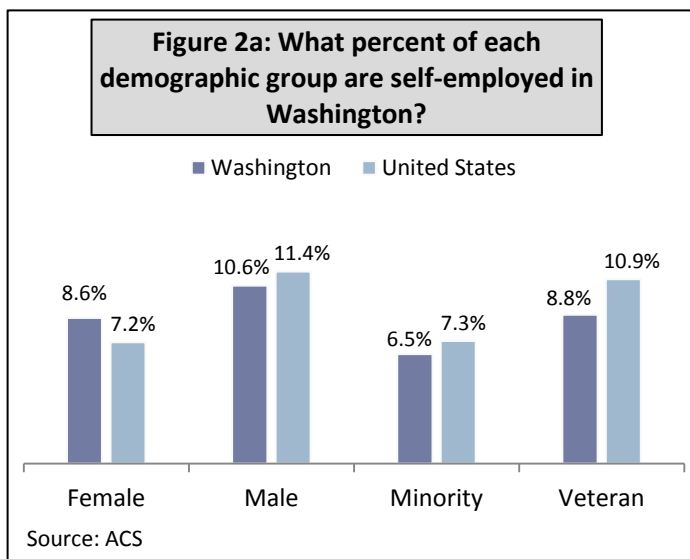
**Table 1: Top Industry by Demographic Group in Washington, 2007**

Demographic Group of Business Owners	Most Common Industry	% of Industry in Demographic Group	% of Demographic Group in Industry
Female	Prof., sci., & tech. services	29.9	16.9
Male	Prof., sci., & tech. services	47.1	17.7
American Indian and Alaska Native	Other services	2.1	16.6
Asian	Other services	12.0	16.8
Black or African American	*	*	*
Native Hawaiian and Other Pacific Islander	*	*	*
White	Prof., sci., & tech. services	89.3	16.9
Hispanic	Health care & social assistance	5.2	13.8
Veteran	Prof., sci., & tech. services	11.1	20.6

\*Indicates that the sample size was too small to be representative of the population. For more detailed information on businesses in your state, see [www.sba.gov/advocacy/847/841921](http://www.sba.gov/advocacy/847/841921).

Source: U.S. Department of Commerce, Census Bureau, 2007 Survey of Business Owners via American FactFinder.

- Figures **2a** and **2b** show the demographic makeup of the self-employed in four demographic groups. For example, **Figure 2a** shows that **8.6 percent** of females were self-employed, and **Figure 2b** shows that **42.3 percent** of all self-employed people were female.



## Business Turnover

- In 2010, **10,721** establishments opened in Washington, and **66.3 percent** survived through 2012. In 2013, **18,784** establishments opened, and **87.4 percent** survived through 2014. (Source: BLS, BED)
- In the 1st quarter of 2014, **9,259** establishments opened and **5,253** closed in the state of Washington. (Source: BED)
- Business bankruptcies declined from 2010 to 2014, signaling a stronger state economy. (Source: U.S. Courts)

## International Trade

- A total of **12,510** companies exported goods from the state in 2012. Of these, **11,262** or **90.0 percent** were small firms; they generated about a quarter (**23.8 percent**) of the state's total known export value. (Source: ITA)

## Small Businesses and Employment by Industry

- **Table 2** ranks the state's industries by the number of small employer firms. For comparison, the three most common industries for small employer firms across the United States are professional, scientific, and technical services; other services (except public administration); and retail trade.

**Table 2: Number of Washington Small Firms by Industry, 2012**  
(ranked by number of small employer firms)

Industry	Employer Firms With 1-499 Employees	Employer Firms With 1-19 Employees	Nonemployer Firms	Total Small Firms
Construction	19,125	18,024	30,834	49,959
Professional, scientific, & tech. svcs.	18,430	17,058	76,595	95,025
Health care & social assistance	15,991	14,313	32,478	48,469
Other services (except public admin.)	14,923	13,970	49,869	64,792
Retail trade	13,948	12,511	37,816	51,764
Accommodation & food services	12,814	10,729	5,107	17,921
Admin., supp., waste mgt., remed. svcs.	7,858	7,152	27,950	35,808
Real estate & rental & leasing	7,304	6,925	50,509	57,813
Wholesale trade	7,020	5,673	7,759	14,779
Manufacturing	6,293	4,965	8,816	15,109
Finance & insurance	4,674	4,275	11,569	16,243
Transportation & warehousing	3,852	3,290	17,609	21,461
Arts, entertainment, & recreation	2,508	2,072	26,788	29,296
Educational services	2,373	1,986	13,411	15,784
Information	1,825	1,488	7,026	8,851
Forestry, etc. & agriculture support	1,364	1,256	7,839	9,203
Management of comp. & enterprises	464	113	*	464
Unclassified	193	193	*	193
Utilities	177	157	326	503
Mining, quarrying, and oil & gas extrac.	131	107	241	372
<b>Total</b>	<b>140,342</b>	<b>126,139</b>	<b>412,542</b>	<b>552,884</b>

Source: SUSB and Nonemployer Statistics. \*Data for nonemployers not collected in these two categories.

See [www.sba.gov/advocacy/additional-data-state-profiles](http://www.sba.gov/advocacy/additional-data-state-profiles) for more detailed data.

- **Table 3** shows small firm employment by industry. The three Washington industries with the most small business employment were: health care and social assistance; accommodation and food services; and retail trade (**Table 3**).

**Table 3: Employment in Washington by Industry and Firm Size, 2012  
(ranked by small firm employment)**

Industry	Employment		Small Firm % of Industry Employment
	Small Firms	Total Firms	
Health care & social assistance	179,068	372,270	48.1
Accommodation & food services	156,634	234,630	66.8
Retail trade	121,981	304,936	40.0
Professional, scientific, & tech. svcs.	113,963	169,325	67.3
Construction	107,396	126,379	85.0
Manufacturing	105,360	238,560	44.2
Other services (except public admin.)	93,421	107,900	86.6
Wholesale trade	74,889	124,746	60.0
Admin., supp., waste mgt., remed. svcs.	61,765	135,083	45.7
Arts, entertainment, & recreation	39,072	59,383	65.8
Finance & insurance	34,742	96,146	36.1
Real estate & rental & leasing	33,103	45,865	72.2
Transportation & warehousing	32,796	86,401	38.0
Educational services	30,198	51,751	58.4
Information	24,241	116,004	20.9
Forestry, etc. & agriculture support	10,270	12,111	84.8
Management of comp. & enterprises	8,479	67,754	12.5
Utilities	1,522	D	D
Mining, quarrying, and oil & gas extraction	1,151	2,090	55.1
Unclassified	D	D	D
<b>Total</b>	<b>1,230,227</b>	<b>2,361,697</b>	<b>52.1</b>

Source: SUSB. (D) indicates data suppressed to protect the confidentiality of individual firms.

For more detailed information on businesses in your state, see [www.sba.gov/advocacy/847/841921](http://www.sba.gov/advocacy/847/841921).

## Abbreviations and Resources

ACS	American Community Survey, U.S. Census Bureau, <a href="http://www.census.gov/acs">www.census.gov/acs</a> .
BEA	Bureau of Economic Analysis, U.S. Department of Commerce, <a href="http://www.bea.gov">www.bea.gov</a> .
BED	Business Employment Dynamics, U.S. Department of Labor, Bureau of Labor Statistics, <a href="http://www.bls.gov/bdm">www.bls.gov/bdm</a> .
BDS	Business Dynamics Statistics, U.S. Census Bureau, <a href="http://www.census.gov/ces/dataproducts/bds">www.census.gov/ces/dataproducts/bds</a> .
BLS	Bureau of Labor Statistics, U.S. Department of Labor, <a href="http://www.bls.gov">www.bls.gov</a> .
CEA	Council of Economic Advisers, <a href="http://www.whitehouse.gov/administration/eop/cea">www.whitehouse.gov/administration/eop/cea</a> .
FDIC	Federal Deposit Insurance Corporation, <a href="http://www.fdic.gov">www.fdic.gov</a> .
FFIEC	Federal Financial Institutions Examination Council, <a href="http://www.ffiec.gov">www.ffiec.gov</a> .
ITA	International Trade Administration, U.S. Department of Commerce, <a href="http://www.trade.gov">www.trade.gov</a> .
Nonemployer Statistics	Nonemployer Statistics, U.S. Census Bureau, <a href="http://www.census.gov/econ/nonemployer">www.census.gov/econ/nonemployer</a> .
SUSB	Statistics of U.S. Businesses, U.S. Census Bureau, <a href="http://www.census.gov/econ/susb">www.census.gov/econ/susb</a> .
U.S. Courts	Administrative Office of the U.S. Courts, <a href="http://www.uscourts.gov">www.uscourts.gov</a> .